United Nations DP/2010/1

Executive Board of the United Nations Development Programme and of the United Nations Population Fund

Distr.: General
27 October 2009

Original: English

First regular session 2010
19 to 22 January 2010, New York
Item 1 of the provisional agenda
Organizational matters

Report of the second regular session 2009 (8 to 11 September 2009, New York)

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09-57926 (E) 161109

I. Organizational matters

1. The second regular session, 2009, of the Executive Board of UNDP and UNFPA was held at the United Nations Headquarters, New York, from 8 to 11 September. The Board approved the agenda and work plan for its second regular session (DP/2009/L.3) and the report of the annual session 2009 of the Executive Board (DP/2009/26).

2. The Executive Board was presented with two alternative dates for its first regular session, 2010. Subsequent to the second regular session, 2009, the Executive Board agreed to the following schedule of sessions in 2010:

Election of the Bureau for 2010:	11 January 2010
First regular session 2010:	19 to 22 January 2010
Joint meeting of the Executive Boards of UNDP/UNFPA, UNICEF and WFP:	15 and 18 January 2010
Annual session 2010:	21 June to 2 July 2010 (Geneva)
Second regular session 2010:	13 to 16 September 2010.

3. Decisions adopted by the Executive Board at the second regular session, 2009, were included in document DP/2010/2, available on the Executive Board secretariat website (www.undp.org/execbrd).

UNFPA segment

Opening remarks by the President of the Executive Board

4. The President of the Executive Board noted that on 12 October the General Assembly would commemorate the 15th anniversary of the International Conference on Population and Development (ICPD). Noting that the ICPD Programme of Action had served as the universal reference for population policies and programmes, he underscored UNFPA achievements in assisting programme countries in the areas of population and development strategies, reproductive health and women's empowerment. He recalled the active role of UNFPA in advancing global health, including at the substantive session of ECOSOC in July. He was concerned that the financial crisis had reduced funding for programmes and that progress was lagging on Millennium Development Goal (MDG) 5 on maternal health. Emphasizing the contribution of UNFPA advocacy work to the international efforts to mitigate, adapt and address climate change challenges, he stressed that adaptation planning should include analysis of population trends and demographic data. He commended the UNFPA Executive Director and staff for their commitment to supporting national ownership and leadership and for their responsiveness to Board guidance.

II. Statement by the Executive Director and financial, budgetary and administrative matters

5. In her statement (available at http://www.unfpa.org/exbrd/2009/2009_second.html) the Executive Director updated the Executive Board on the ICPD 15th anniversary commemoration, referring to various regional meetings, the Fourth International Parliamentarians' Conference on ICPD on 27 and 28 October 2009, in Addis Ababa, preceded by a high-level meeting on maternal health and MDG 5, hosted by the Netherlands and UNFPA, and the General Assembly commemorative session on 12 October. Noting

UNFPA support along with the German Government for the NGO Forum on Sexual and Reproductive Health and Development, held in Berlin, she expressed her appreciation to the German Minister for Development Cooperation. She thanked the United Kingdom's Department for International Development for recognizing UNFPA effectiveness and awarding additional funding. She thanked the Government of the United States of America for its funding and return to the circle of UNFPA donors. She updated the Board on other advances made by UNFPA since the annual session 2009 on issues ranging from maternal health to population and climate change; United Nations reform and aid/programme effectiveness; and various partnerships. She underscored that the struggle for women's rights was at the centre of the struggle for human rights and global progress in the 21st century and committed action was necessary to advance the right to sexual and reproductive health (SRH) and reduce high rates of maternal death and disability.

6. She updated the Executive Board on the UNFPA reorganization. Noting that regional offices were functioning in Bangkok, Johannesburg and Panama City, she thanked the host governments. She noted that as the Board had been informed earlier, the Slovak Government had withdrawn its offer to host the UNFPA regional office for Eastern Europe and Central Asia in Bratislava. To ensure business continuity and programme country support, the regional office would operate from New York for the next two years. UNFPA was engaged in discussions with the Slovak Government on reimbursement of costs of about $1.3 million. As regards the Arab States Regional Office to be located in Cairo, UNFPA, through the Office of Legal Affairs, was engaged in negotiating the host country agreement. The Executive Director introduced the biennial support budget, 2010-2011 (DP/FPA/2009/10) and the report on the revision of UNFPA financial regulations and rules (DP/FPA/2009/12). She noted that UNFPA was pleased with the supportive report (DP/FPA/2009/11) of the Advisory Committee on Administrative and Budgetary Questions (ACABQ) and was fully committed to further harmonization and simplification efforts with UNDP and UNICEF and improvement of results-based management and budgeting.

7. Delegations stated that the 12 October commemorative session of the General Assembly provided an excellent opportunity to highlight the international consensus on the importance of population dynamics, SRH and rights, gender equality and the empowerment of women. They were pleased to note that national ownership, national leadership and capacity development remained key guiding principles of UNFPA work and appreciated the contribution of UNFPA to United Nations reform. They stressed the importance of reaffirming commitment to the ICPD agenda and the centrality of ICPD goals to achieving the MDGs. Delegations emphasized the contribution of UNFPA towards reaching MDG 5 on maternal health and underscored the need for universal access to reproductive health. They supported the work of UNFPA in the area of prevention of gender-based violence and expressed concern about female genital mutilation/cutting. They welcomed the UNFPA focus on the interrelation between climate change and population dynamics, including migration.

8. The need to address gender inequality was underscored. Some delegations referred to the report on system-wide coherence and expressed support for the creation of a new composite gender entity for the United Nations system to better address gender inequalities and support women around the world. They hoped that Member States would reach agreement on it at the General Assembly.

9. Noting its $50 million contribution to UNFPA, the delegation of the United States of America underscored that it regarded UNFPA as a key partner in efforts to increase worldwide access to reproductive health and family planning and stated that UNFPA had a special responsibility as the lead multilateral body promoting the implementation of the ICPD Programme of Action. The delegation stressed that its Government was strongly committed to the ICPD agenda and the importance of gender equality, women's empowerment and reproductive health. The delegation of the United Kingdom stated that in recognition of UNFPA results and performance in 2008 it had provided an extra 2.05 million pounds in funding to UNFPA. Japan announced that it would contribute $31.1 million in 2009 to UNFPA regular resources.

10. Delegations commended the open consultative process through which UNFPA had engaged the Executive Board in preparing the biennial support budget (BSB) and welcomed the prudent and moderate budget proposal for 2010-2011. They welcomed the decrease in the percentage share of the BSB to the total use of resources and were pleased to note the increased resources for programme. Delegations welcomed the positive report of the ACABQ and several concurred with the recommendation that information be included in future budgets on management results achieved in the context of the previous budget.

11. Some delegations called on UNFPA to further identify efficiency gains to offset fully the statutory cost increases relating to existing staff costs. The need for more robust and measurable results indicators was underscored. One delegation stated that the BSB format should centre on the strategic plan's nine management results supported by information on costs to achieve each result. The delegation requested a short section on cost recovery to be integrated into future budgets. Some delegations called for improved comparability of budgets among agencies. The need for harmonization with regard to cost classification categories was stressed. One delegation expressed concern regarding the sector budget support funding modality. Delegations supported the phased adoption of the International Public Sector Accounting Standards (IPSAS) and the necessary revision of UNFPA financial regulations and rules. Further periodic updates on IPSAS implementation were requested.

12. Concerning the withdrawal of the offer by the Slovak Government to host the regional office of Eastern Europe and Central Asia in Bratislava, which was now in the hands of the Executive Board, some delegations called on UNFPA to explore alternative locations in the region.

13. The Executive Director thanked delegations for their support and contributions and underscored that UNFPA was committed to the achievement of universal access to reproductive health by 2015 and was re-energizing family planning within the spectrum of SRH. She reaffirmed that UNFPA would continue to advocate for reproductive health and rights. She appreciated the support regarding gender equality and women's empowerment, as well as the comments highlighting the interlinkages between climate change and population dynamics. She appreciated the recognition of the General Assembly session on ICPD at 15, and of the Fund's commitment to supporting national leadership and ownership and South-South cooperation. She clarified that UNFPA support for sector budget support was at the request of countries. She noted that "Delivering as One" had helped to strengthen the inclusion of the ICPD agenda in the United Nations Development Assistance Frameworks. She appreciated the support for the Fund's reorganization and stronger field focus. In taking note of the Slovak Government's response regarding the

location of the regional office, she stated that UNFPA would be guided by the Executive Board and the principle of co-location. She thanked delegations for supporting the BSB and acknowledging UNFPA efforts to increase programme expenditure and achieve efficiency gains. She emphasized the Fund's firm commitment to working with other organizations to improve results-based budgeting, methodology harmonization and increased transparency. Underscoring the need to ensure a balance between accountability and flexibility, she emphasized that flexibility was essential for facing the changing financial and programmatic environment.

14. The Deputy Executive Director (External Relations, United Nations Affairs and Management) thanked the Executive Board, noting that UNFPA had benefited from the consultative process and the Board's support and guidance. The BSB was prudent and conservative and channelled more resources to programme. Reiterating UNFPA commitment to progressively implementing the Board's decision on evaluation, she confirmed that resources dedicated to evaluation were not being reduced and UNFPA had simply moved one post from the Division for Oversight Services to the Programme Division to strengthen programme evaluation. She emphasized that all programmes included monitoring and evaluation. Regarding IPSAS implementation, she noted that the revision of the UNFPA financial regulations and rules would enable moving forward in a phased manner with full implementation in 2012. Training was essential and its costs were included in the budget. UNFPA with its partners would continue IPSAS briefings for the Board. Concurring on the need to better link the BSB to development and management results, she stated that UNFPA was committed to improving/simplifying indicators and targets. She underscored UNFPA commitment to working together with UNDP and UNICEF to harmonize cost classification and the budget format and structure, taking into account organization-specific mandates and business models. She appreciated the Board's guidance on results-based budgeting, noted that significant efforts had been made and affirmed the Fund's continued commitment. She noted that UNFPA would report on cost recovery at the first regular session in 2010. Agreeing on the importance of cost recovery, she cautioned about the challenges, particularly in a small organization where each staff member was multitasking.

15. The Deputy Executive Director (Programme) highlighted the work on maternal health, including the Health 4 efforts with prioritized focus on 25 countries with the highest maternal mortality rates. The Director, Division for Management Services clarified that the BSB was not just a management budget, it included programme support and resources for the technical advice that UNFPA provided at country level. He stressed that while UNFPA programme delivery had increased twofold over the past years, the number of posts had not increased by a commensurate volume. Emphasizing that UNFPA was a strong advocate and user of common services and shared premises, he noted that in many countries UNFPA was represented by the UNDP Resident Representative. In assuring the Executive Board that UNFPA would work with UNDP and UNICEF regarding cost classification, he stated that the organizations were committed to having a harmonized model that was applicable to and served the needs of the three organizations. Regarding the regional office which would not be located in Slovakia, he noted that a claim of compensation had been submitted and if the same was not fully settled, the amount would be treated as a financial loss and would be so reflected within the UNFPA financial statements, as per UNFPA financial regulations and rules.

16. The Executive Board adopted decisions 2009/26: Estimates for the UNFPA biennial support budget, 2010-2011; and 2009/27: Revision of the financial regulations and rules of UNFPA.

III. Country programmes and related matters

17. The UNFPA Deputy Executive Director (Programme) introduced the draft country programmes for Uganda (DP/FPA/DCP/UGA/7) and Guatemala (DP/FPA/DCP/GTM/6), noting that they were fully in line with country needs and priorities identified in the respective national development policies and frameworks. The Directors of the Africa Regional Office and the Latin America and the Caribbean Regional Office elaborated on the respective programmes.

18. The delegations of Uganda and Guatemala and other delegations commended the participatory consultative process that had taken into account national frameworks, plans and priorities and had involved a wide range of development partners and stakeholders. It was noted that the programmes had the full support of the Government and other stakeholders and would address key issues such as maternal mortality; reproductive health; safe motherhood; unmet need for family planning; gender-based violence; gender-disaggregated data; and HIV prevention and the integration of reproductive health and HIV programmes. One delegation stated that each draft programme should be accompanied by the evaluation of the previous programme.

19. One delegation noted the need to address the issue of high population growth in Uganda and reposition sexual and reproductive health and gender-based violence prevention in funding mechanisms and institutions related to HIV and AIDS. While appreciating UNFPA efforts to provide contraceptive supplies, one delegation suggested revising an existing indicator to measure the availability of family planning methods in facilities by increasing from three to five the number of modern methods available.

20. The delegation of Guatemala acknowledged that UNFPA support had a positive impact regarding the country's demographic bonus. One delegation expressed interest in undertaking South-South cooperation between its own country and Guatemala. One delegation recommended addressing the needs of the indigenous people more broadly in the Guatemala programme and expressed concern regarding overlap with the UNICEF country programme. One delegation suggested adding family planning as a specific and cost-effective intervention to reduce maternal mortality in Guatemala and suggested continuing efforts to ensure and promote reproductive health commodity security.

21. The Deputy Executive Director (Programme) and the Directors of the two regional offices thanked delegations for the constructive comments and in addition to providing specific responses to queries they noted that UNFPA would look into the various suggestions offered during the discussion.

22. In accordance with decision 2006/36, the Executive Board approved, on a no-objection basis, the 11 country programmes discussed earlier at the annual session in May-June 2009, namely: Afghanistan, Armenia, Bosnia and Herzegovina, Botswana, Burundi, Ecuador, Kazakhstan, Lebanon, Tajikistan, Turkmenistan and Uzbekistan.

In addition, in accordance with decision 2006/36, they discussed and took note of the comments on the draft country programmes for Uganda and Guatemala. The comments will be conveyed to the two countries to take into account in finalizing their respective programmes.

UNDP segment

IV. Statement by the Administrator and financial, budgetary and administrative matters

23. The Administrator updated on her vision and direction for UNDP, stressing the need to maintain funding levels despite the global economic crisis. She added that UNDP expected to save approximately $50 million through efficiency gains.

24. She reiterated that the Millennium Development Goals were the bedrock of the UNDP strategic plan and called for renewed efforts in the light of the 2015 deadline. She noted that even before the crisis, no country in sub-Saharan Africa had been on track to achieve all the Millennium Development Goals. The global recession could create a potential for a "double blow", she said, if hard-won progress towards the Millennium Development Goals were reversed.

25. She underscored UNDP support to the Secretary-General in his advocacy for the Group of Eight to fulfil its Gleneagles official development assistance commitments, which were recently reaffirmed in Italy, but remain essentially undelivered. She updated the Board on efforts by UNDP and the International Monetary Fund, working closely with African countries and their multilateral partners, to develop "Gleneagles scenarios" that would demonstrate the development results obtainable if official development assistance were scaled up to the levels pledged by the Group of Eight.

26. The Administrator recognized the importance of cross-cutting issues such as gender and climate change adaptation strategies, and described efforts to help countries analyse and articulate their needs in climate negotiations and develop their capacity to obtain carbon financing. She added that UNDP would continue to work in countries that had experienced traumatic conflict, bringing about peace and laying the foundation for longer-term recovery and stability.

27. Regarding greater coordination among United Nations organizations, the Administrator stated that each fund and programme had distinct capabilities, mandates and comparative advantages. However, she reiterated that if United Nations organizations were well coordinated, resources for development would go much further. There would be numerous opportunities to strengthen coordination, since, for example, more than 90 countries would be establishing new United Nations Development Assistance Frameworks between 2010 and 2013. She also called attention to the role of UNDP in supporting and managing the resident coordinator function for greater system-wide coherence, and its participation in the United Nations Development Group, gathering lessons and experiences from the 'delivering as one' pilots.

28. The Administrator highlighted the economic climate and the volatile exchange rate environment, which could prevent UNDP from meeting the resource targets approved by the Executive Board. She emphasized the need for secure, predictable funding; indicated that UNDP would consider how the donor pool could be expanded for 2009 and 2010; and expressed concern at the possibility of continued imbalances between regular and 'other' (non-core) resources. She assured delegations that UNDP would spare no effort to meet resource projections and expressed deep appreciation for the continuing support of donors.

29. Delegations thanked the Administrator for her statement. Many noted that her first official trip as head of UNDP was to Africa, which they felt that was important considering the need to safeguard Millennium Development Goal achievements. They alluded to the close relationship between climate change and poverty reduction, noting that Africa would be in the greatest danger if a climate deal were not reached quickly. They asked UNDP to step up the mainstreaming of climate change mitigation and reiterated the need for UNDP to participate in promoting the 'global jobs pact' and to promote national ownership and capacity-building in its development work. Those same delegations called upon the organization to continue strengthening its efforts with respect to United Nations reform, harmonization of business practices, using the lessons learned in the 'delivering as one' pilots to invigorate field and headquarters operations, and strengthening the resident coordinator system to improve on-the-ground delivery.

30. Many delegations called for a strengthening of crisis prevention and recovery to support peacebuilding, particularly in countries emerging from conflict. They noted that UNDP brought added value, particularly in areas such as governance and capacity-building. One delegation reminded UNDP to continue prioritizing poverty reduction to achieve the Millennium Development Goals.

31. The interventions of numerous delegations focussed on the global economic and financial crisis. Delegations stressed that UNDP must work quickly to mitigate the effects of the worldwide recession, which were being felt disproportionately by the poor and which could create instability and conflict as well as jeopardizing hard-won Millennium Development Goal achievements. UNDP was requested to sharpen its focus on poverty reduction. One delegation noted that UNDP poverty reduction resource levels are far short of required levels and should be increased, particularly in support of the least developed countries. Other delegations anticipated the Millennium Development Goals review conference scheduled for September 2010.

32. Delegations noted connections between climate change mitigation and adaption efforts, crisis prevention and recovery, United Nations coordination, the need for greater technical assistance and technology transfer, and the timely provision of resources. Some reiterated the call for UNDP to mainstream climate change across all its development work. Others called upon the organization to be prepared to translate the outcomes of the climate change conference to take place in Copenhagen in December into concrete action on the ground. One delegation asked UNDP to implement, rather than simply write, national adaptation plans of action for least developed countries, and help incorporate them into poverty reduction strategy papers.

33. Numerous delegations commented on UNDP budgetary matters. While there was overall support for the restructuring of the budget, those delegations also stressed the importance of cost classification; harmonization among partner organizations; increased core resources for crisis-affected countries; continued reform of the budget structure for transparency and accountability; implementation of the International Public Sector Accounting Standards; and continued use of the results-based budget approach. A number of delegations stressed the importance of transitioning to a single, integrated budget. Others expressed concern at the long-standing imbalance between regular and other resources and at the projected drop in 2009 un-earmarked resources to $995 million, from the UNDP strategic plan target of $1.2 billion.

34. One delegation stressed that the postponement of the presentation of the biennial support budget, 2010-2011, until the first regular session 2010, was a one-

time exception and not a precedent for the future. That delegation, while noting that harmonization should enhance transparency and provide comparability, asked whether total harmonization would be achievable, given the unique and distinct character of each United Nations fund and programme.

35. The Administrator thanked delegates for their support of the budget restructuring efforts, pledging to continue organizational improvements to increase efficiency. She agreed with the need to help least developed countries address climate change, adding that UNDP had contributed to an analysis of its impact and was working to facilitate access to carbon financing processes. She confirmed that UNDP was collaborating with partners in the United Nations Development Group to empower resident coordinators to lead country teams. She added that UNDP was sharpening its focus on programmes with system-wide impact.

Financial, budgetary and administrative matters

36. The Assistant Administrator and Director, Bureau of Management, introduced the annual review of the financial situation, 2008; information on United Nations system technical cooperation expenditures, 2008; and the methodology and approach to the UNDP biennial support budget, 2010-2011. She announced that UNDP would not submit a report on United Nations system technical cooperation expenditures in future years, but that in accordance with General Assembly resolution 63/232, the United Nations Department of Economic and Social Affairs would prepare a comprehensive statistical analysis. She reiterated that adequate, predictable regular resources were the bedrock of UNDP programmatic activities.

37. Delegations thanked UNDP, and generally supported the three documents presented under the agenda item. Many delegations had technical follow-up questions for the organization. One delegation requested more time to analyse the proposals considering the late arrival of the document in official languages. That delegation felt strongly that harmonization should not be forced, but should be based on best practices and the role of each organization. Another delegation suggested that a combination of expanding relations with new donors and cost-cutting might be an effective way to remedy the budget deficit. That delegation suggested that it might be necessary to review the validity of the strategic plan, asking UNDP to review the plan in the context of the global financial and economic crisis. It also requested that the organization include revenue and expenditure figures for 2007 and 2008 in the next preliminary biennial support budget, for comparative purposes.

38. One delegation requested more seamless linkages between the UNDP budget, its integrated results framework, and its strategic plan. That delegation asked UNDP to adequately outline the cost categories in the programming arrangements and the biennial support budget, and stressed that budget comparability was essential. Regarding the 'coordination on behalf of the United Nations system' cost category, the delegation suggested that UNDP refer back to its 1997 budget as an example of how to provide a distinct breakdown of components into the four cost categories; the budgets of the World Food Programme and World Health Organization might provide additional lessons and guidance. It asked UNDP to identify those items that were shifted between the biennial support budget and the programming arrangements.

39. Another delegation asked about what might be the proper ratio of regular to other resources, in consideration of multi-donor trust funds, thematic trust funds, system-wide funds and bilateral funds. That delegation suggested a need to

understand why donors were not providing more regular resources, hypothesizing that better results and indicators, such as those provided by the annual report of the Administrator, were needed to illustrate the linkage between regular resources and outcomes. It requested an update on the core budget deficit situation and asked UNDP to prepare an informal paper on its unexpended resources and provide an indication of when they might be spent. Regarding harmonization of budgets, it expressed regret that movement in that area had been slow. It called for a greater focus on measureable results indicators and, with another delegation, requested a road map for future action. The delegation asked about the utility of the 16 functions of the results-based budget, whether UNDP management found them useful and, if so, how they were useful.

40. One delegation requested UNDP management to: (a) provide an itemization of the $5.6 billion in the regular resources column ('investments held for other'), as well as information on the returns earned and how they were used and reported to the Board; and (b) provide information on income received as a result of cost recovery from regular resource contributions, how such income is utilized and reported to the Board, and post the cost recovery information on the Executive Board website. That delegation asked about the shifting of posts to and from the support budget and the connection between cost classification and promoting results-based management, reiterating the need for a clear correlation between the new functions of the UNDP budget and the indicators that measure results. The delegation expressed concern at the lack of clarity about how core management activities – audit, ethics, investigation, and evaluation – would be funded, adding that the funding approach would affect integrity and quality. Regarding the new methodology and the mock-up of the support budget, the delegation asked: what benefit UNDP would derive from the cost classification exercise and how it would promote results-based management; how core evaluation and oversight activities would be funded. It asked UNDP to formulate an integrated resources plan, apply the new cost classification concepts in budget execution and financial reporting, and to implement the 'whole post' concept.

41. Another delegation asked that the views of developing countries be fully considered on all issues and decisions in agenda items related to management, administrative and budgetary matters. The delegation noted some confusion in connection with development effectiveness activities and development coordination activities, stating that: (a) it did not know what the end result was and what the means were to achieve the end result; (b) the integrated results framework of the strategic plan incorporated programme activities and coordination as part of the outputs of the institutional results matrix, but the proposal to re-categorize them as development activities could create inconsistencies between the strategic plan and the biennial support budget; (c) the proposals for reclassification might actually decrease accountability for the development results; and (d) full harmonization of cost classification might be neither possible nor desirable across multiple institutions with differing mandates.

42. One delegation stated that the work of UNDP in cost classification was highly relevant for bilateral development agencies trying to adopt a similar transparent approach to operational costs. The delegation suggested that work by UNDP in this area could become a model for bilateral organizations, offering to 'share notes' and create a consistent approach to classifying costs.

43. The Executive Board adopted decision 2009/20 on the annual review of the financial situation, 2008; decision 2009/21 on United Nations system technical

cooperation expenditures, 2008; and decision 2009/22 on the methodology and approach to the UNDP biennial support budget, 2010-2011.

V. United Nations Development Fund for Women

44. The Executive Director, United Nations Development Fund for Women (UNIFEM), and the Deputy Executive Director, UNIFEM, introduced the report on the criteria and methodology for regular resource allocations for programming.

45. The Deputy Executive Director indicated that UNIFEM had decided to adapt the methodology used by UNDP, which allocates resources based on per capita income and population size and favours least developed countries; this approach met with the guiding principles of UNIFEM and was adjusted for gender disparities. He mentioned that the methodology provides for a safeguard – a minimum programme funding amount – that should be available for programmes managed by UNIFEM subregional programmes receiving the smallest share of resources.

46. Delegations expressed their appreciation for the presentation. Several delegations from the Latin America and Caribbean region noted with concern that the proposals contained in the report on the criteria for resource allocation could have a negative impact on resources allocated to the region. One delegation expressed regret that the methodology might penalize the relative success of middle-income countries and have negative consequences on rural women, poor women in urban areas, and marginalized groups of women, especially among indigenous populations, which it stated was contrary to General Assembly resolution 31/133. The same delegation also suggested that the methodologies proposed in the document were not in line with the Doha Declaration on Financing for Development, which acknowledges the challenges faced by middle-income countries in eradicating poverty and makes specific provision for the United Nations system to respond to those challenges in order to safeguard achievements made. It did not agree with the proposed changes to the funding methodology, suggesting instead that further discussions be pursued around the recently adopted United Nations Children's Fund framework.

47. Another delegation from the Latin America and Caribbean region, in complete agreement with previous comments, added that the methodological changes would disproportionately affect rural and marginalized women in middle-income Group of Latin America and Caribbean Countries as well as in the Asia-Pacific region, by reducing resources. The delegation felt that the methodology was flawed, as it was missing cross-cutting themes such as opportunities for South-South cooperation created from support to middle-income countries. It also suggested that the document be translated into official United Nations languages to permit all countries to understand the proposals, adding that while it was not against entering into discussions on funding methodology in a transparent manner, the timing was not appropriate.

48. Many delegations expressed understanding for those concerns, but added that solid criteria for resource allocation were important to the mandate of UNIFEM. Two delegations suggested that the addition of criteria for subregional allocations would be especially helpful for programme countries and urged that it be included in future documents. Those delegations asked what had prompted the proposed changes to the methodology, which is closely linked to the role of UNIFEM in programme countries and the approach taken around regional allocations and inequities. Many delegations agreed that the document served as an important

starting point for continued discussion in order to identify solid criteria for resources allocation, bearing in mind the concerns of programme countries. One delegation added that gender equality and women's empowerment were complex but universal issues of concern to all Member States. Discussions, it said, must take into consideration, inter alia, differences in income level within regions as well as the fact that gender inequality does not necessarily have a correlation with income level. Delegations encouraged UNIFEM to continue consulting with Member States in the coming months.

49. The Executive Board took note of the report on the criteria and methodology for regular resources allocation (DP/2009/38).

VI. Evaluation

50. The Director, UNDP Evaluation Office, introduced the joint terminal evaluation of the cooperation agreement between the United Nations Industrial Development Organization (UNIDO) and UNDP (DP/2009/32); she was joined on the podium by the Director of the UNIDO Evaluation Office. The Deputy Assistant Administrator and Deputy Director, Partnerships Bureau, introduced the management response document (DP/2009/33).

51. Delegations thanked the evaluation team and conveyed their gratitude to UNDP and UNIDO for their positive relationship, suggesting it was a model for complementarity and cooperation in the United Nations system. One delegation mentioned that the synergy between UNDP and UNIDO shown his country how to achieve sustainable momentum for social and economic transformation in a cost-effective and relevant manner. Another delegation said that there was too much emphasis on private sector development, while other elements for promoting industrial development in the government sphere were disregarded. That delegation felt that UNIDO representatives should try to achieve better alignment with governmental priorities to increase the impact of their work, and encouraged UNIDO to harmonize its activities in the country, working within the purview of the United Nations Development Assistance Framework. Another delegation encouraged continued movement towards a system-wide cluster approach, but urged both organizations to sign a memorandum of understanding so as to maintain the positive relationship. One other delegation, taking note of the recommendations contained in document DP/2009/32, asked UNDP and UNIDO to bear them in mind when developing the memorandum of understanding.

52. The Executive Board adopted decision 2009/23 on the evaluation of the cooperation agreement between the United Nations Industrial Development Organization and UNDP.

VII. Country programmes and related matters

53. The Assistant Administrator and Director, Partnerships Bureau, introduced the items on country programmes for consideration by the Executive Board, from:

Africa region: Uganda

Latin America and the Caribbean region: Argentina, Guatemala

Europe and the Commonwealth of Independent States region: Romania

54. Also under consideration was the draft regional programme document for the Arab States (DP/RPD/RAS/2) and assistance to Myanmar, note by the

Administrator (DP/2009/34), which contained a proposal to extend the Human Development Initiative by an additional year, until 2011. The Board was also asked to take note of the extension of the country programme for the Libyan Arab Jamahiriya.

55. Delegations whose countries were the subject of new country programmes expressed their appreciation, highlighting how their country programmes would contribute towards the attainment of national development priorities and the achievement of the Millennium Development Goals.

56. Delegations supported those countries, encouraging UNDP to continue to work in areas where it has the greatest impact and comparative advantage. Two delegations asked that UNDP avoid spreading itself too thinly in Uganda, reducing fragmentation in its programming and coordinating its work more effectively. One delegation requested clearer linkages between lessons learned and the practical application of those lessons in the new programme. With respect to Guatemala, several delegations asked UNDP to remain focused and results-oriented; continue its work in democratic governance and coordination; improve results indicators in the draft programme and generate tangible improvements; strengthen the rule of law and work to reduce corruption; and increase the focus on gender, minority groups, and South-South cooperation.

57. The draft regional programme for the Arab States elicited comments from many delegations, who asked for additional regular resources to be dedicated to programme implementation in view of the global economic crisis. They stressed that, while significant progress had been made towards achieving the Millennium Development Goals, the programme should maintain its focus on enhancing human capacity, capacity development and regional partnerships. Those delegations also asked for clearer references to international and regional trade, job creation, youth issues, and helping least developed countries in the region.

Assistance to Myanmar

58. The Assistant Administrator and Regional Director for Asia and the Pacific, with the UNDP resident coordinator/resident representative in Myanmar, introduced this topic. The delegation from Myanmar thanked UNDP and the Executive Board, and thanked the United Nations country team for their assistance. The delegation reaffirmed its commitment to meeting the needs of the people and was hopeful that a country programme could be established for Myanmar in recognition of its encouraging implementation of the human development initiative.

59. Delegations that spoke supported the one-year extension of assistance to the Myanmar until 2011. They urged UNDP to continue to collaborate with other United Nations actors in Myanmar, bolster its work in gender and strengthen its work at the grass-roots level to reduce poverty by, increasing support to schools and health care centres.

60. The Executive Board approved 12 country programmes on a no-objection basis, without presentation or discussion, in accordance with decision 2001/11. These were: Afghanistan, Armenia, Bosnia and Herzegovina, Botswana, Burundi, Ecuador, Lebanon, the former Yugoslav Republic of Macedonia, Kazakhstan, Tajikistan, Turkmenistan, and Uzbekistan. In addition, the Board adopted decision 2009/24 on assistance to Myanmar.

VIII. United Nations Capital Development Fund

61. The Executive Secretary of the United Nations Capital Development Fund (UNCDF) introduced an oral report on the UNCDF approach to cost recovery. This, he explained, was in anticipation of a formal report on the implementation of its cost recovery policy, to be presented to the Executive Board at its first regular session 2010.

62. There were no comments from delegations.

IX. United Nations Office for Project Services

63. The Executive Director provided introductory remarks on the strategic plan, 2010-2013, of the United Nations Office for Project Services (UNOPS), and its annual statistical report.

64. Delegations thanked UNOPS for its contributions to development and welcomed the strategic plan, encouraging UNOPS to continue providing adaptable, flexible approaches to help the United Nations system. One delegation asked the organization to continue diversifying its client base and to complement the mandates of other United Nations organizations while avoiding 'mandate creep'. Another delegation recognized the increased demand for UNOPS services and its organizational efficiency, but expressed concern about the indication in the annual statistical report of a move towards sustainable or 'green' procurement, which had not been mandated by the General Assembly guidelines and, should not be pursued independently.

65. One delegation encouraged UNOPS to adhere to the full cost recovery principle, requesting periodic revisions to its cost recovery and pricing policy and regular updates to the Board. The delegation asked UNOPS to expand its reporting on outcomes and impact, fully implement its internal control and risk framework, and strengthen its oversight capacity. Many delegations expressed support for authorizing the UNOPS Executive Director to appoint country-level representatives so as to improve communication with the governments of host countries, and to sign, when appropriate, direct service and host-country agreements, in consultation with the resident coordinator. Two delegations were concerned with the decline in procurement from developing countries, and asked that this situation be remedied. One delegation recognized the improvements to the UNOPS website and asked for more detailed project information to be posted, including on UNOPS contributions to national capacity-building projected business volume, major clients, and high-revenue activities and practices. Another delegation asked why UNOPS could not provide data in its statistical report about the country of origin of goods, or on actual expenditures. One other delegation asked for a UNOPS presence in its country, and requested the Executive Director to provide information on what steps had been taken, if any, towards setting up a presence there.

66. The Executive Board adopted decision 2009/25 on the United Nations Office for Project Services strategic plan, 2010-2013; and took note of the annual statistical report on the procurement activities of United Nations system organizations (DP/2009/37).

Joint segment

X. Follow-up to the meeting of the UNAIDS Programme Coordinating Board

67. The UNDP Assistant Administrator and Director, Bureau for Development Policy and the UNFPA Deputy Executive Director (Programme), made a joint presentation on implementing the recommendations of the UNAIDS Programme Coordinating Board.

68. Delegations welcomed the report and asked all UNAIDS partners to ensure contributions to HIV prevention and AIDS care and treatment, and to uphold the rights of those living with HIV, particularly the right to live without stigmatization, discrimination, and equal access to services. Five delegations noted the progress made by UNDP, the World Bank and UNAIDS to build capacity of United Nations staff members on gender, human rights, and HIV. Those delegations asked for a renewed emphasis on effective prevention strategies and to ensure national HIV and AIDS strategies were aligned with the drivers of the epidemic on the ground. In view of the role of UNFPA as lead agency concerning sex work, the five delegations looked forward to working together with the UNAIDS secretariat, co-sponsors and civil society on gender and HIV and AIDS issues. The delegations underscored that gender equality and human rights, including sexual and reproductive health (SRH) and rights must be at the core of an effective response to HIV and AIDS. In addition to stressing the need to focus on women and girls, delegations pointed out that gender equality efforts and programmes should involve boys and men.

69. One delegation requested that there be a clearer connection between decisions made by the UNAIDS Programme Coordinating Board and actions taken. That delegation also requested more information on whether any obstacles or bottlenecks may have adversely affected the implementation of the decisions of the Board. The delegation welcomed the attention given to HIV in humanitarian situations and asked how the Inter-Agency Standing Committee programming on HIV was working at the field level. Referring to the priority accorded by UNFPA to enhancing access to reproductive health commodities, the delegation asked for further information on progress and cooperation with partners regarding access to female condoms. The delegation inquired if there were plans to use the Global Implementation Support Team to enhance that work, given that UNFPA was chairing the team.

70. In addition to requesting stronger analysis in the report, some delegations noted the lack of reference to the UNAIDS Action Framework: Universal access for men who have sex with men and transgender people, and asked the secretariat to report on it; and to increase advocacy in the area of prevention of transmission and better linkage of HIV prevention and SRH and rights. Two delegations also asked how budget resources would be allocated and its implications, whether UNDP efforts to strengthen national implementation capacity involve civil society and promoting cooperation between state and non-state actors. They asked whether UNDP, UNFPA and the other UNAIDS co-sponsors would provide a joint management reaction, similar to that of 2003, to the second independent evaluation of UNAIDS.

71. The UNFPA Deputy Executive Director (Programme) appreciated the comments from delegations and noted that UNFPA would review and strengthen the

linkages between the decisions of the Programme Coordinating Board and the reporting format for the Executive Board. She noted that the issue of linking SRH and HIV would be the theme of the Programme Coordinating Board meeting in June 2010 and would be discussed at length. She underscored that UNFPA was taking an active role in ensuring the better integration of SRH and HIV. She noted that the additional $3 million funding from the unified budget and work plan received by UNFPA would be concentrated on engaging men as partners; men and women in the uniformed services; linking SRH and HIV programming, particularly in 18 countries; and rolling out the guidelines on sex work. She noted that the co-sponsors would indeed respond to the UNAIDS evaluation and were working on how the response would be prepared and shared.

72. The Chief, HIV and AIDS Branch, UNFPA, thanked the delegations and clarified that moving funds from the secretariat to the co-sponsors was an intentional effort to ensure that the UNAIDS secretariat did not become an operational entity. He underscored that the co-sponsors were taking stronger leadership roles in accordance with their own programmes of work. Thus, UNFPA was taking a stronger leadership role in such areas as HIV in humanitarian settings and in the uniformed services; men and boys as partners; and the elimination of gender-based violence. He emphasized that working with the uniformed services was a powerful means of intensifying engagement with men and boys, as well as women, in the context of SRH and HIV prevention. After service, men and women in uniform frequently returned to their communities as key leaders. He reiterated UNFPA commitment to reproductive health commodity security, including condom programming and promotion of the female condom. He noted that the pledge made by the UNFPA Executive Director at the AIDS conference in Bangkok in 2004 had borne fruit and UNFPA and its development partners, including civil society, had contributed to the increase in female condom distribution in the last four years from about 14 million condoms in 2005 to 33 million in 2008. Under the UNFPA-supported Global Condom Initiative, condom programming was supported in 65 countries. He outlined three key challenges: (a) studying the modes of HIV transmission and having an appropriate programmatic response; (b) addressing the gender dimensions of HIV; and (c) addressing the need for better synergy between the national structures set up in the HIV and AIDS response and the programmes of various ministries. He underscored the importance of synergy and the need to avoid vertical and parallel programming.

73. The Executive Board took note of the report (DP/2009/39-DP/FPA/2009/14).

XI. Internal audit and oversight

74. As requested by the Executive Board in its decision 2008/37, UNDP, UNFPA and UNOPS presented oral reports on the implementation of decision 2008/37 on internal audit and oversight.

United Nations Development Programme

75. The Director, Office of Audit and Investigation, presented an oral report that focused primarily on the process of handling requests for disclosure of country office audit reports, and the number and timing of requests received. He provided a breakdown on governments making the requests, the number and regions of corresponding requests, and countries. The Director, Office of Audit and Investigation, informed the Board that while the procedures for obtaining UNDP country office audit reports were clearly established for Executive Board members,

no such rules exist for non-members, such as the Global Fund to fight AIDS, Tuberculosis and Malaria, and the European Union. Therefore, he said, access to reports by these non-members was declined.

76. There were no comments from delegations.

The United Nations Population Fund

77. In his oral report, the Director, Division for Oversight Services (DOS), UNFPA, focused on two topics, namely, implementation of decision 2008/37; and disclosure of internal audit reports. He highlighted the actions taken by UNFPA pertaining to the UNFPA oversight policy, including posting the oversight policy in the UNFPA Policies and Procedures Manual; risk assessment and management; responsibility and accountability for results; single audit principle; financial disclosure; transparency; and oversight roles and responsibilities. He informed the Executive Board that DOS had incorporated the process of disclosure in its procedures manual and developed a detailed process chart to reflect decisions 2008/37 and 2009/15. He stated that as of 7 September 2009, UNFPA had received no request for disclosure and thus no internal audit report had been disclosed.

78. There were no comments or queries from delegations.

The United Nations Office for Project Services

79. The Deputy Executive Director, UNOPS, informed the Executive Board that there had been no requests for audit reports from delegations. He took a few moments to update the Board on accountability and ethics in UNOPS, and informed the Board of the continuing efforts to strengthen UNOPS internal audit and investigation capacities.

80. There were no comments from delegations.

XII. Other matters

Farewell tribute to the UNDP Associate Administrator

81. The Associate Administrator of UNDP was invited to the podium to address the Executive Board. He thanked the Board for its unwavering support during his time with UNDP and committed to working in his new role, as the Special Representative of the United Nations Secretary General for Iraq, to improve the lives of the poor and work towards the development of Iraq.

82. The President of the Executive Board read aloud a statement congratulating the Associate Administrator on his new responsibilities, recognizing his contributions to UNDP and to the Board, and wishing him success in his new endeavours to foster peace and development in Iraq.

Thematic debate: the work of UNDP in capacity-building

83. The Assistant Administrator and Director, Bureau for Development Policy, and the Director, Capacity Development Group, introduced the thematic debate. They focused on capacity development as the essence of the development challenge, whether in poverty reduction, democratic governance, HIV/AIDS, or climate change. They reiterated the urgency and complexity of the challenges, noting that the development paradigm has shifted from the simplistic North-South binary concept towards including the creative solutions being generated by countries dealing with the challenges and sharing those solutions. They emphasized the importance of robust monitoring and evaluation frameworks to capture best

practices and ensure the best use is made of lessons learned, noted a greater willingness to engage in peer review for quality assurance, and indicated that subnational capacity development and local-level lessons were extending far beyond an individual country in an interconnected 'global' manner not seen before. They noted the need to capture capacity development results, establish methodologies to measure performance, stability, and adaptability, to gauge results and to promote internal UNDP adoption of, inter alia, actions to promote deeper global partnerships, modify staff profiles, and embed an 'evaluation mind-set'.

84. One delegation, in the context of sustainable national capacity development, asked the extent to which UNDP and other United Nations organizations 'did business' with national institutions at different levels, and how decisions were made regarding how and what things got done. Another delegation asked how UNDP verified that its support to national capacity development and capacity-building for core public institutions translated into grassroots contributions. That delegation also asked what indicators could provide information on improvements to national capacity development.

Informal meetings

85. The Executive Board held the following informal meetings:

UNDP. (a) An informal consultation on the methodology and approach to the UNDP and UNIFEM biennial support budgets, 2010-2011; (b) implementation of the UNDP cost recovery policy; and (c) review of the UNDP evaluation policy.

UNOPS. An informal consultation on UNOPS field operations.

UNFPA. UNFPA organized a briefing on the 2010 round of censuses. Following introductory remarks by the Deputy Executive Director (Programme) there were three country-specific presentations, respectively, by the Minister of International and Regional Cooperation, the Democratic Republic of the Congo; the Director, Central Statistics Office, Botswana; and the UNFPA Chief Technical Adviser for census in Iraq.

Annex

Item 2c: UNDP financial, budgetary and administrative matters

Antigua and Barbuda explanation of position

Thank you Mr. President. Forgive me for interrupting. I did just want to make a short statement on the occasion of the adoption of the decision on item 2c, if you would allow me.

My delegation is pleased to join consensus in the adoption of the decision on item 2c, however, we would like to make the following statement.

When the item was introduced to the Executive Board on Tuesday, we did make a statement, which among other things raised the point that, with regard to harmonization, we cannot and perhaps should not, strive to achieve full harmonization as it may not only not be possible, but perhaps not desirable – particularly with regard to harmonization of budget processes and methodology, including cost classification. We would like to reiterate that point, a view that I believe was shared by other members of the Board.

We do recognize that some degree of harmonization is necessary to allow for comparisons across agencies, and to draw from lessons learned and best practices based on the experiences of the individual organizations. These can then be applied, of course, where and when applicable to facilitate efficiency and cost savings. However, harmonization is a process and it is a relative one – there should not be any undue push to harmonize for the sake of harmonization only, nor for the sake of any agendas or objectives, other than achieving actual development results on the ground.

Having said this, and underscoring that decisions on harmonization, as they relate to other organizations, must go through their respective governing bodies for the necessary intergovernmental approvals and, most importantly, that we should bear in mind the relevant General Assembly mandates on harmonization as it relates to cost classification. We therefore do not interpret anything in the decision to go beyond existing General Assembly mandates on harmonization, integration, and/or consolidation of the United Nations funds, programmes and agencies.

We respectfully request that this statement be included for the record in the report of the meeting.

Thank you very much, Mr. President.